

CITY OF DALY CITY

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2009**

NOTE 1 - REPORTING ENTITY

The Schedule of Expenditure of Federal Awards (the Schedule) includes expenditures of federal awards for the City of Daly City, California and its component units as disclosed in the notes to the Basic Financial Statements.

NOTE 2 - BASIS OF ACCOUNTING

Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. All proprietary funds are accounted for using the accrual basis of accounting. Expenditures of Federal Awards reported on the Schedule are recognized when incurred.

NOTE 3 - DIRECT AND INDIRECT (PASS-THROUGH) FEDERAL AWARDS

Federal awards may be granted directly to the City by a federal granting agency or may be granted to other government agencies which pass-through federal awards to the City. The Schedule includes both of these types of Federal award programs.

NOTE 4 - CALIFORNIA DEPARTMENT OF AGING FUNDED EXPENDITURES

During the fiscal year ended June 30, 2009, the City received the following grant from the State of California Department of Aging:

	<u>State Funded Expenditures</u>
Title III C1 - Cong. Nutrition State #AP-0809-08	\$44,191

Revision
4/14/10



CITY OF DALY CITY

DEPARTMENT OF FINANCE
AND
ADMINISTRATIVE SERVICES

DONALD W. McVEY
DIRECTOR

April 12, 2010

State Controller's Office
Division of Audits
Single Audits Branch
Attn: Linda Botallo
P.O. Box 942850
Sacramento, CA 94250-5874

Dear Ms. Botallo:

Enclosed please find one corrected copy of the City of Daly City's Single Audit for year ending June 30, 2009. The correction is the addition of Note 4 on page 5, required by the San Mateo County Agency on Aging.

Please do not hesitate to call us if you have any questions.

Very truly yours,

A handwritten signature in blue ink, appearing to read "DWM", is written over a horizontal line.

Donald W. McVey
Director of Finance and Administrative Services

DWM/kd
Enclosure

*File accepted
already
mc*